



## Year 2000 (Y2K) Issues

Customs Y2K readiness is reported to Treasury on a monthly basis and, as a direct result, is updated to OMB on a quarterly basis.

### Information Technology (IT) Status:

Customs has completed the remediation of 100 percent of its mainframe systems. An automated tool is currently being used to further validate the production versions of these systems. This validation is scheduled to be completed by March 31, 1999. In addition, Customs is conducting an Independent Verification and Validation (IV&V) of the entire Year 2000 Program which is scheduled to be finished by June 30, 1999. Customs has an End to End testing schedule in place with its external trading partners and other interface organizations. However, since not all interface organizations are currently ready to test with Customs, testing will continue with those partners during the remainder of the calendar year.

### Telecommunications Status:

Voicemail Upgrades	54% completed.
Voicemail System Installs	42% completed.
Telephone System Installs	44% completed.

Telecommunications remediation is scheduled to be completed by June 30, 1999.

### Personal Computer (PC) Status:

New PC Installations	70% completed.
PC BIOS Upgrades	75% completed.

Personal Computer remediation is scheduled to be completed by June 30, 1999.

### Non-IT Status:

There are 2,256 Mission Critical Non-IT products that have been identified. Of these 2,256 Non-IT products, 1,500 were deemed compliant, 77 were judged not compliant, and 679 are still being assessed. Of the 77 Non-IT products judged not compliant, 23 are being replaced, 8 are being repaired, 19 are being retired, and 27 are still to be determined. Non-IT remediation is scheduled for completion by May 31, 1999.

### Costs to Fix and Replace Systems:

Dollars in millions.

FY	Expenditure	Remaining Estimated Expenditures	Totals
1997	\$8.1		\$8.1
1998	\$66.0		\$66.0
1999	\$8.8	\$25.1	\$33.9
2000		\$10.7	\$10.7
Total	\$82.9	\$35.8	\$118.7

### Y2K Worst Case Scenario:



The most likely "worst case scenario" is that one or more ports-of-entry will suffer an interruption to their automation support infrastructure. This could result in a reduction of the speed and accuracy with which Customs would be able to facilitate the movement of commodities across U.S. borders and assess and collect appropriate revenues.

### **Contingency Plans:**

The Year 2000 Program Office Contingency Planning Team has worked directly with Business Process Owner representatives to guide the completion of business Continuity of Operations Plans (COOPs) for Customs core business and key support business processes, and Quality Assurance Plans (QAPs) for all mission-critical business processes. The high-level business processes for which Customs has prepared these plans are Trade Compliance, Passenger Processing, Enforcement, Outbound, Finance, and Human Resources.

COOPs and QAPs for all lines of business are complete and endorsed by the signatures of the respective business Process Owners, and were submitted to Treasury on September 30, 1998. As part of the continuing process to evaluate and update business COOPs, the revised COOPs will be delivered to Treasury by March 31, 1999. Final versions of the field business continuity procedures which are based on the business COOPs are being received by the Emergency Preparedness Committee.

In addition to the risk mitigation that continuity of operations, business contingency planning, IV&V evaluations, and end-to-end testing provides, Customs has also begun the Emergency Response Center initiative. The purpose of this initiative is to examine the existing IT problem resolution environment and create a plan to reinforce it with supplemental capability during times of Year 2000 induced crisis. The initiative will be performed in three phases:

- Phase I            Assessment and Recommendation was completed December 31, 1998.
- Phase II          Planning and Implementation is scheduled to be completed July 31, 1999.
- Phase III        Operations is scheduled to begin on August 1, 1999, and extend into March of 2000.

### **CUSTOMS Y2K PROGRAM HONORED**

#### **PRESS RELEASE Tuesday, December 1, 1998**

WASHINGTON, D.C. -- By October 1, 1998 -- well ahead of most federal agencies -- the U.S. Customs Service had fixed, tested and implemented all of its mission-critical information technology (IT) systems. As a result of this and other accomplishments, the Customs Year 2000 (Y2K) Program is being awarded a 1998 Government Technology Leadership award at 4 p.m. today in the Ronald Reagan Building Amphitheater.

Commenting on the award, U.S. Customs Commissioner Raymond W. Kelly said: "It's truly an honor to be recognized with this award. I could not be prouder of the many men and women involved in this monumental effort."

The Government Technology Leadership awards are presented annually by Government Executive magazine to those federal agencies who through their innovative use of technology have improved their service to the public, caused their agencies to function more efficiently and saved U.S. taxpayer money.

Customs annually processes over 450 million international passengers, 100 million vehicles and 40 million pedestrians. Customs oversees the importation of merchandise worth in excess of \$850 billion and collects roughly \$23 billion in annual revenue. Customs apprehends thousands of criminals and seizes more than a million pounds of illegal narcotics every year.

Without compliant computers, these actions would have to be done manually creating inordinate delays and contributing to the loss of revenue for the U.S. Treasury. The integrity of U.S. borders would be jeopardized, and efforts to apprehend criminals and interdict narcotics would be crippled.